

Elizabeth McFadden (D.C. Bar No. 436076)
mcfaddene@sec.gov
Melinda Hardy (D.C. Bar No. 431906)
hardym@sec.gov
Michael S. Bailey (D.C. Bar No. 983676)
baileym@sec.gov
Office of the General Counsel
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9612
Tel: (202) 551-5100
Attorneys for Plaintiff Securities and Exchange Commission

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, NORTHERN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

DIGITAL LICENSING INC. (d/b/a “DEBT Box”), a Wyoming corporation; JASON R. ANDERSON, an individual; JACOB S. ANDERSON, an individual; SCHAD E. BRANNON, an individual; ROYDON B. NELSON, an individual; JAMES E. FRANKLIN, an individual; WESTERN OIL EXPLORATION COMPANY, INC., a Nevada corporation; RYAN BOWEN, an individual; IX GLOBAL, LLC, a Utah limited liability company; JOSEPH A. MARTINEZ, an individual; BENJAMIN F. DANIELS, an individual; MARK W. SCHULER, an individual; B & B INVESTMENT GROUP, LLC (d/b/a “CORE 1 CRYPTO”), a Utah limited liability company; TRAVIS A. FLAHERTY, an individual; ALTON O. PARKER, an individual; BW HOLDINGS, LLC (d/b/a the “FAIR PROJECT”), a Utah limited liability company; BRENDAN J.

Case No.: 2:23-cv-00482-RJS

**PLAINTIFF SECURITIES AND
EXCHANGE COMMISSION’S
UNOPPOSED MOTION FOR
LEAVE TO FILE A SUR-REPLY IN
RESPONSE TO DEFENDANTS’
REPLIES TO THE SEC’S
RESPONSE TO THE COURT’S
NOVEMBER 30, 2023 ORDER TO
SHOW CAUSE**

Chief Judge Robert J. Shelby
Magistrate Judge Dustin B. Pead

STANGIS, an individual; and MATTHEW D. FRITZSCHE, an individual,

Defendants,

ARCHER DRILLING, LLC, a Wyoming limited liability company; BUSINESS FUNDING SOLUTIONS, LLC, a Utah limited liability company; BLOX LENDING, LLC, a Utah limited liability company; CALMFRTZ HOLDINGS, LLC, a Utah limited liability company; CALMES & CO, INC., a Utah corporation; FLAHERTY ENTERPRISES, LLC, an Arizona limited liability company; IX VENTURES FZCO, a United Arab Emirates company; PURDY OIL, LLC, a Nebraska limited liability company; THE GOLD COLLECTIVE LLC, a Utah limited liability company; and UIU HOLDINGS, LLC, a Delaware limited liability company,

Relief Defendants.

Pursuant to DUCivR 7-1(a)(9), the Securities and Exchange Commission (“Commission”), through undersigned counsel, respectfully requests leave to file one fifteen-page sur-reply to (1) the reply brief filed by Defendants Digital Licensing Inc., Jason R. Anderson, Jacob S. Anderson, Schad E. Brannon, and Roydon B. Nelson and Relief Defendants Business Funding Solutions, LLC, Blox Lending, LLC, The Gold Collective LLC, and UIU Holdings, LLC (Dkt. 246); and (2) the reply brief and chronology filed by Defendants iX Global, LLC, Joseph A. Martinez, and Travis Flaherty (Dkt. 247) (collectively “Defendants’ Replies”), both of which respond to the Commission’s Response to the Court’s November 30, 2023 Order to Show Cause (Dkt. 233).

Defendants’ Replies raise fact and legal issues that go beyond the questions that the Court requested the Commission to respond to in the November 30, 2023 Order to Show Cause. The

Replies make numerous allegations about harms to the Defendants and Relief Defendants and request specific sanctions, including the dismissal of this litigation with prejudice, without regard to the fact that the Commission has alleged that the investing public has been defrauded of at least \$49 million and that the alleged wrongdoing was ongoing when the Commission filed this action. The Commission respectfully requests the opportunity to respond to the legal authority cited by Defendants and Relief Defendants and address their factual claims.

Should the Court grant leave to file a sur-reply, the Commission further requests that the Court allow the Commission to submit a sur-reply of no more than fifteen (15) pages (exclusive of any exhibits) in response to Defendants' Replies, to be filed with the Court and served on the parties by January 30, 2024. Fifteen pages is reasonable because Defendants and Relief Defendants filed a total of forty-seven pages, including a seven-page chronology.

Counsel for the Commission emailed counsel for Defendants and Relief Defendants on the morning of January 16, 2024, requesting their position regarding this motion. As of the time of filing this motion, counsel for the Commission had not heard back from counsel for Relief Defendants Calmfritz Holdings, LLC and Calmes & Co, Inc. Counsel for all other Defendants and Relief Defendants have represented that their clients do not oppose the relief requested.

WHEREFORE, the Commission respectfully requests leave to file a fifteen-page sur-reply to Defendants' Replies on or before January 30, 2024.

Dated: January 17, 2024

Respectfully submitted,

/s/ Michael S. Bailey

Michael S. Bailey (D.C. Bar No. 983676)

Senior Counsel

baileym@sec.gov

Elizabeth McFadden (D.C. Bar No. 436076)

Deputy General Counsel

mcfaddene@sec.gov

Melinda Hardy (D.C. Bar No. 431906)

Assistant General Counsel

hardym@sec.gov

Office of the General Counsel

Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549

Telephone: (202) 551-5100

*Attorneys for Plaintiff Securities and Exchange
Commission*

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of January, 2024, I caused the foregoing to be served to all parties entitled to service through the Court's ECF system.

/s/ Michael S. Bailey
Michael S. Bailey

*Attorney for Plaintiff Securities and Exchange
Commission*